

Subject Clarifying building contract indemnification agreements

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Overview

This bill clarifies portions of the law that relate to indemnification agreements for building and construction contracts for the design, building, or repair of buildings, roads, and bridges.

The definition of “indemnification agreement” is amended to include the term “defend” often referred to as the duty to defend, which means that the litigation expenses are included as party of the indemnification agreement.

The second section amends a section of law that was enacted in 2013. This section removes “project-specific insurance” from the list of insurance coverage that parties can contract to require in construction contract agreements.

These sections are both effective the day following final enactment and apply to agreements entered into on or after that date.